

COMMUNITY HEROES HOMEOWNERSHIP PROGRAM



Frequently Asked Questions about the Community Heroes Program

1. What is the Community Heroes program?

The Community Heroes program provides down payment assistance up to \$30,000 to eligible first responders and public-school teachers in Mecklenburg County. The program is made possible by a partnership between the City of Charlotte's HouseCharlotte program, and the Federal Home Loan Bank of Atlanta (FHLB-Atlanta).

2. Who is eligible?

Eligible Law Enforcement Officers, Firefighters, other First Responders, and Public- School Teachers with household incomes of 80.01% - 120% Area Median Income (AMI) are eligible to apply for the program. Borrower's must also be able to qualify for a primary mortgage loan from an approved mortgage lender (see approved Lender list).

The below table shows the current AMI for the Charlotte area. For example, a family of four (4) must earn at least \$63,201 and no more than \$94,800 to be eligible to apply for the program.

Income Eligibility (based on family size/number of people in household)								
# of people in household	1	2	3	4	5	6	7	8
80.01% AMI	\$44,251	50,601	\$56,901	\$63,201	\$68,301	\$73,351	\$78,401	\$83,451
120% AMI	\$66,360	\$75,840	\$85,320	\$94,800	\$102,480	\$110,040	\$117,600	\$125,160

3. How do I apply for the Community Heroes program?

Interested applicants must work with an approved mortgage lender (see approved Lender list). The mortgage lender will determine if the borrower is eligible for the Community Heroes program. If you are eligible, the Lender will submit a request for program participation on your behalf. It is possible that individual loan officers may not know about the program. For this reason, interested applicants should always ask their Lender (from the approved Lender list) about participating in the program to help with the down payment requirements.

Upon receipt of the completed application from the Lender, House Charlotte and FHLB-Atlanta staff will each verify the applicant's program eligibility. Refer to "How long does it take to process a Community Heroes application" question, below, for more details.

4. How much Community Heroes assistance am I eligible for?

The Community Heroes program can provide up to \$30,000 in downpayment assistance loan funds.

5. What can the financial assistance be used for?

The Community Heroes loan funds can be used for down payment assistance, including the following:

- First Mortgage Principal Reduction
- Downpayment and closing cost
- Homebuyer Counseling/Education

6. Does the home I am interested in purchasing have to be located in a specific neighborhood?

Eligible borrowers can purchase a home of their choice, as long as it is located in Mecklenburg County and meets the maximum purchase price criteria (see below).

7. What is the maximum, total home sales price for the Community Heroes program?

The maximum purchase price cannot exceed \$300,000, for existing and new construction homes. Homes exceeding this amount are not eligible for the Community Heroes program.

8. Do I have to repay the down payment assistance I receive from the Community Heroes program?

The Community Heroes program provides deferred, forgivable loans to qualified applicants. If a homebuyer remains in their home as a primary residence for at least ten years after receiving Community Heroes down payment assistance, the loan automatically converts to a grant and does not need to be repaid. If, however, the home buyer sells their home within the first ten years, or otherwise does not maintain it as their primary residence, a portion of the funds, together with accrued interest, must be repaid at that time.

9. Does interest accrue on the down payment assistance that I receive from the program?

Interest, currently at a rate of three percent, accrues on a portion of the funds. If the home buyer remains in the home as their primary residence for at least ten years, the interest and principal are forgiven, and no repayment is required. If, however, the home buyer sells their home within the first ten years, or otherwise does not maintain it as their primary residence, a portion of the funds, together with accrued interest, must be repaid at that time.

10. If I participate in the program, are there any deed restrictions that apply to the home that I purchase?

The goal of the Community Heroes program is to increase homeownership opportunities for low-to-moderate income individuals and families employed in first responder and other eligible fields. In return, home buyers participating in the program agree that they will maintain their home as affordable to low-to-moderate income households, for an agreed upon period of time.

11. How long does it take to process a Community Heroes application?

It takes approximately 10 business days from receipt of the complete loan application package to process the application and receive the checks for closing. If the application package is incomplete, it may take longer. When the HouseCharlotte and FHLB-Atlanta checks are ready, they are sent directly to the approved mortgage Lender for the loan closing. *Your lender is responsible for requesting the approved FHLB-Atlanta portion of the funds. These funds should be requested no later than 48 hours prior to the scheduled closing date.*

12. Is an inspection required to receive Community Heroes funding?

Yes. The property must pass a HouseCharlotte code inspection prior to receiving funds. This is a code inspection, not a complete home inspection. For your protection, it is highly recommended that you get a full home inspection from a reputable licensed inspector.

The initial code inspection, along with one additional re-inspection, is provided at no charge to the borrower. If additional inspections are needed for any reason, the contact person on the Inspection Request Form will be responsible for payment to the Inspector at the time of re-inspection(s). For new construction homes less than 6 months old, a Certificate of Occupancy (CO) is also required.

In lieu of the HouseCharlotte inspection, buyer(s) have the option, at the buyer's cost, to hire an independent, licensed NC Home Inspector. However, this Inspector must complete the HouseCharlotte Minimum Housing Code form along with their normal inspection form. Both should be forwarded to HouseCharlotte upon completion. This document, as well as the HouseCharlotte Inspection Request form can be found on the website.

Borrowers should use caution in relying solely on the HouseCharlotte inspection. The House Charlotte inspection is a code inspection only, generally used to identify code violations only. For your protection, it is highly recommended that borrowers hire their own reputable, licensed inspector to complete a full structural/mechanical home inspection (at the buyer's cost), in addition to the House Charlotte code inspection.

13. Who would I contact to take the homebuyer education course and counseling that is required for the Community Heroes program?

Pre-Purchase Counseling & Homebuyer Education totaling a minimum of 8 hours is required to participate in the program.

In-Person Training

Two homebuyer education providers are available for in-person training. Eligible borrowers can use either one of these two providers.

1. Homeownership Center of Charlotte | 704-342-0933, or
2. Prosperity Unlimited, Inc. | 704-933-7405

Online Training

Up to 4 hours credit is available online from one of the below providers. If eligible borrowers choose to use online training, they must also include 4 hours of in-person training (see above).

1. eHome America (www.ehomeamerica.org)
2. FRAMEWORK (www.frameworkhomeownership.org)

14. How long is the training course?

The training course varies in length, depending on which agency you have chosen to take the class with. Typically, the course consists of up to 8 hours, and is offered on Saturdays or weeknights to try to accommodate your schedule. Upon completion of the course, you will receive a homebuyer education certificate that is good for one year. Please contact the agency you wish to work with to learn more about class dates and times.

15. When should I take the course?

The homebuyer education certificate is good for one year. It is recommended you take the course as soon as possible, as you will gain a wealth of information on homeownership. It is not required that you have a home identified prior to taking the course, however, you will need to complete the course before you can close and receive HouseCharlotte down payment assistance funds. Keep in mind that the certificate you will receive upon completion is valid for one year.

16. Is everyone listed on the mortgage required to take the course?

Yes.

17. Should I contact the Community Heroes loan representative in reference to my loan status?

No. In an effort to expedite the Community Heroes application processing, buyers should direct any questions or requests for status updates to their loan officer. The loan officer or real estate agent will be in contact with the representatives of HouseCharlotte/Community Heroes on your behalf.

18. How long will the Community Heroes program be available?

The Community Heroes program is a unique partnership between the City of Charlotte and FHLB-Atlanta. The program is available for a limited time, and is based on funding availability at any given time.

19. Who administers the program?

The program is administered by the Charlotte Mecklenburg Housing Partnership (CMHP). Please email the CMHP team if you have questions, at HouseCharlotte@cmhp.org.

20. How can I learn more about the Community Heroes program?

To learn more, please visit housecharlotteprogram.com or call 704-705-3999.

These frequently asked questions are not intended to be a complete list of all program requirements. Interested applicants should talk to their lender and visit the housecharlotteprogram.com webpage for all program details.